Farm Service Agency

Commodity Fact Sheet

September 1997



Other Tobaccos

1997 Support Program

Dark Air-Cured
Fire-Cured
Sun-Cured

Cigar Filler & Binder

Legislative Authority

The Agricultural Adjustment Act of 1938, as amended, authorizes marketing quotas on an acreage allotment basis for various kinds of tobacco, except cigar wrapper and perique. The Agricultural Act of 1949, as amended, sets the price support at the previous year's level, with an annual adjustment

based on the change in a parity index average.

Marketing Quotas

Marketing quotas, having been approved by more than two-thirds of the producers, are in effect for the following tobaccos and crop years:

Kind (type)		Crop Years		Referendum Date
Sun-Cured (37)	1995	1996	1997	March 1995
Cigar-Filler & Binder (42-44 & 53-55)	1996	1997	1998	March 1996
Fire-Cured (21-22-23)	1997	1998	1999	March 1997
Dark Air-Cured (35-36)	1997	1998	1999	March 1997

Producers in March 1995 disapproved marketing quotas for 1995, 1996, and 1997 crops of Maryland (type 32), Pennsylvania cigar-filler (type 41), and Connecticut Valley cigar-binder (types 51-52) tobaccos. The next referenda for those three kinds is scheduled to be held in March 1998. In addition, a

referendum was held in March 1996 for Cigar Filler (Type 41) tobacco in which no one voted. Because this kind of tobacco is no longer grown, a special ruling was made accepting the referendum as a "No" vote and absolves producers from future referenda unless they actively petition the Secretary of

Agriculture to reinstate the quota process.

Acreage Allotments

Following are 1996 national acreage allotments compared to 1997:

Kind (type)	1996 Allotment (acres)	1997 Allotment (acres)
Virginia Fire-Cured (21)	1,317	1,506
Kentucky-Tennesse Fire-Cured (22-23)	16,491	17,013
Kentucky-Tennessee Dark Air-Cured (35-36)	4,045	4,273
Virginia Sun-Cured (37)	110	114
Cigar Filler & Binder (42-44 & 53-55)	4,699	4,478

Producers who exceed acreage allotments for tobaccos under marketing quotas are subject to marketing quota penalties. The penalty rate is 75 percent of the previous year's average market price.

The marketing year for all tobaccos covered in this fact sheet begins October 1.

Support Level

Following are national support levels for the 1997 crops. USDA sets individual grade rates before the marketing season begins.

Kind (type)	1997 Average Support Level (cents per pound)		
Dark Air-Cured (35-36)	139.8		
Fire-Cured (21)	149.8		
Fire-Cured (22-23)	162.3		
Sun-Cured (37)	132.6		
Cigar Filler & Binder (42-44 & 53-55)	116.9		

The 1997 support levels are 3.8 to 6.6 cents above 1996 support levels.

Support Method

Nonrecourse loans are available on 1997 production for the five quota tobaccos listed. Price support is provided to growers through producer associations under contractual terms with USDA's Commodity Credit Corporation (CCC). The associations receive the tobacco not sold at the support rate, using funds loaned by CCC.

Producers are required to certify that they have not nested their tobacco and also that pesticides used in producing tobacco have been approved by the Environmental Protection Agency and that these products have been used in accordance with label directions.

Assessments

As a condition of price support eligibility, producers of these various kinds of tobacco must pay an assessment on each pound of tobacco marketed to ensure the price support program operates at no-net-cost, as required by the No Net Cost Tobacco Program Act of 1982.

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	Production	National Average Loan Level	No-Net-Cost Assessment	Average Price to Farmers	Farm Value			
	(million lbs.)	(cents per lb.)	(cents per lb.)	(cents per lb.)	(million \$)			
Virginia Fire-Cured Tobacco (type 21)								
1991 1992 1993 1994 1995 1996 1997	3.6 2.6 1.9 2.4 1.5	133.2 136.7 139.5 140.7 143.0 145.5 149.8	12 13.3165 11.3025 7.2965 15.285 3.2725 2.2510	152.6 161.5 171.9 161.2 162.5 178.7	5.4 4.2 3.3 3.9 2.4 3.0			
Kentucky-Tennessee Fire-Cured Tobacco (types 22-23)								
1991 1992 1993 1994 1995 1996	29.3 34.2 39.0 45.9 37.7 42.5	136.7 142.1 146.4 148.3 151.8 155.7 162.3	1.3165 1.2895 .768 1.2585 1.241 1.2215 0.1885 ¹ 1.1885 ²	213.4 217.3 219.4 209.2 217.2 211.0	62.6 74.4 85.6 96.0 81.9 89.7			
		Kentucky-Tennessee	Dark-Air-Cured Tobacco (types 35-36)				
1991 1992 1993 1994 1995 1996 1997	8.7 10.3 11.1 11.7 8.5 8.6	116.9 121.7 125.5 127.3 130.4 133.9 139.8	.831 .8915 .8725 1.3635 2.3480 2.3305 0.301 ¹ 1.301 ² 2.301	184.0 169.4 171.5 168.5 176.2 191.1	16.1 17.4 19.0 19.7 15.0 16.4			
		Virginia Su	in-Cured Tobacco (type 3	7)				
1991 1992 1993 1994 1995 1996 1997	.1 .1 .1 .1 .1	117.7 120.8 123.3 124.5 126.5 128.8 132.6	12 13.396 11.3835 7.3775 15.3675 3.356 2.337	143.4 138.0 152.1 147.6 153.0 178.2	.2 .2 .2 .2 .2 .2			
	Cigar Binder Tobacco (types 53-55) (Wisconsin)							
1991 1992 1993 1994 1995 1996	15.2 12.8 6.6 5.9 6.2 5.1	101.4 105.4 107.4 108.4 110.1 112.0 116.9	0 0 0 0 0 0 .458 13 .4495 .44 .4155	148.7	23.5 19.1 9.6 8.6 9.0 7.6			
¹ Eastern Dark Fired Tobacco Growers Association ² Western Dark Fired Tobacco Growers Association ³ Stemming District Tobacco Growers Association								